

SOLE PROPRIETORSHIP PERSONAL PROPERTY RETURNS Form AT3-51 - Frequent Mistakes

Avoid these common errors to help ensure the efficient filing and processing of your personal property return.

Location Reporting Errors

- Not providing a breakdown of property by multiple locations.
- Inaccurate or missing address information, especially regarding towns.
- Reporting the mailing address instead of the actual property location in art A, line 3 of Form AT3-51.
- Reporting property not located in Maryland.

Property Reporting Errors

- Property reported in wrong depreciation category.
- Failure to report commercial inventory.
- Reporting certain exempt registered vehicles as taxable under line item 1 on Form AT3-51. Some registered vehicles are taxable, such as those with interchangeable registrations.
- Failure to meet the September 1st deadline for manufacturing applications.
- Failure to notify the Department by October 1st when a transfer/sale/disposal of all personal property occurs between January 1st and June 30th. Sometimes assessments are made after the date of transfer.

Other Errors

- Failure to respond to estimated assessment notices. Remember, these will generate tax bills for which the business owner is liable. The Department only has three years from the April 15th due date to make corrections.
- Failure to notify the Department when the owner goes out of business. Use Form AT3-45 (located on our web page) for this purpose.
- Filing under the wrong Department ID#.
- Sole proprietorships/general partnerships not obtaining an account number from the Department.
- Attempting to pre-pay an anticipated late filing penalty. These penalties are billed at the time the assessment is made.
- Inaccurate responses to home-based business exemption questions.
- Failure of home-based businesses to file an initial return in order to qualify for the exemption under §7-227, Tax Property Article.